

Internal Directive on the Working Procedures and Principles of the General Assembly of Shareholders of Kuveyt Türk Participation Bank Incorporated Company

PART ONE Purpose, Scope, Basis and Definitions

Purpose and Scope

Article 1 - (1) The purpose of this Internal Directive is to determine the operating procedures and principles of the general assembly of Kuveyt Türk Participation Bank Incorporated Company within the framework of the applicable legislation and the articles of association. This Internal Directive shall cover all ordinary and extraordinary general meetings of Kuveyt Türk Participation Bank Incorporated Company.

Basis

Article 2 - (1) This Internal Directive was prepared by the board of directors in accordance with the provisions of the Regulation on the Procedures and Principles of the General Meetings of Incorporated Companies and the Representatives of the Ministry of Customs and Trade who will be Present at these Meetings.

Definitions

Article 3 - (1) In this Internal Directive;

- a) Session : Refers to one-day meeting of the general assembly,
- b) Law: Refers to Turkish Code of Commerce dated 13/1/2011 and numbered 6102,
- c) Sitting: Refers to each part of every session which is interrupted due to resting, meal etc. reasons,
- ç) Meeting: Refers to ordinary and extraordinary general meetings,
- d) Presidency of the meeting: Refers to the board which consists of the chairman of the meeting who is elected by the general assembly to administer the meeting, the vice-chairman of the meeting who is elected by the general assembly when required, recorder of the minutes who is determined by the chairman of the meeting and the vote collector if deemed necessary by the chairman of the meeting in accordance with the first paragraph of article 419 of the Law.

PART TWO

Operating Procedures and Principles of the General Assembly

Provisions to be obeyed

Article 4 - (1) The Meeting shall be held in accordance with the provisions of the applicable legislation and the articles of incorporation with regard to the provisions on the general assembly.

Entrance to the place of the meeting and preparations

Article 5 - (1) The shareholders who are registered in the list of those present which was issued by the board of directors or their representatives, members of the board of directors, auditor if any, the Ministry representative if commissioned and the persons to be elected or commissioned for the position of the chairman of the meeting can enter the place of the meeting.

(2) In the entrance to the place of the meeting, real person shareholders and the representatives who are appointed from the electronic general assembly system which was established pursuant to article 1527 of the Law have to show their identity cards, the representatives of the real person shareholders have to show their representation certificates along with their identity cards, and the representatives of the legal person shareholders have to submit their certificates of authority and thereby sign the places shown for them in the shareholders' attendance list. The said control processes shall be performed by the board of directors or one or several members of the board who are commissioned by the board of directors or the person(s) commissioned by the board of directors.

(3) The duties regarding the preparation of the place of the meeting to include all of the shareholders, making the stationery, documents, tools and equipments to be required during the meeting available at the place of the meeting shall be fulfilled by the board of directors.

Opening the meeting

Article 6 - (1) The meeting shall convene in Istanbul or another city within Turkey Kuwait City of Kuwait or Jeddah City of Saudi Arabia at the discretion of the Board of Directors in the place where corporate headquarters is located or as per the articles of incorporation. It will be specified in the General Meeting announcements and the letters of invitation for the shareholders in which city and which address the General Assembly will convene. At the previously announced time, provided the provisions of the meeting without call which was specified in article 416 of the Law will be reserved, the meeting will be opened by the chairman or the vice-chairman of the board or one of the members of the board of directors, upon the determination of the quorums specified in articles 418 and 421 of the Law through a minutes.

Formation of the presidency of the meeting

Article 7 - (1) Meetings of the General Assembly of the Shareholders shall be administered by a council which consists of a chairman, one or two secretaries and two vote collector members. The General Assembly may increase these numbers in the council if it deems necessary. The Chairman and the Vice Chairman of the Board (in the absence of the Chairman) shall take the chair of the meetings of the General Assembly. In the absence of both, the General Assembly shall elect the chairman of the meeting itself.

(2) The chairman of the meeting shall be authorized to sign the minutes of the meeting and other papers constituting basis for this minutes.

(3) The presidency of the meeting shall act in compliance with the provisions of the Law, articles of incorporation and this Internal Directive while administering the general meeting.

(4) While the chairman of the meeting is managing the general assembly meeting, he must comply with the Law, the articles of association and this Internal Directive acts in accordance with its provisions.

Powers and duties of the presidency of the meeting

Article 8 - (1) The presidency of the meeting shall fulfil the following meetings under the administration of the chairman:

a) To check whether the meeting was held in the address indicated in the announcement and whether the place of the meeting was in accordance with what is specified in the articles of incorporation if specified.

b) To check whether the general assembly was called for meeting as shown in the articles of incorporation, on the web pages of the companies which are liable to open web pages and through the announcement published in Turkish Registry Gazette, whether this call was made minimum two weeks ago as of the date of the meeting except for the days of announcement and meeting, whether the date of the meeting and the agenda and the newspapers on which the announcement was published or will be published was notified by registered and reply paid letter to the shareholders written in the share ledger, the shareholders who had previously notified their addresses to the company by giving documents as evidences of share certificates or shareholding and record this to the minutes of the meeting.

c) To check whether those who do not have an authorization to enter the place of the meeting and whether the duties which are ensured in the second paragraph of article 5 of this Internal Directive in relation to entrance to the place of the meeting were fulfilled by the board of the directors.

ç) Whether the shareholders or their representatives were all ready in case the general assembly meets without call as per article 416 of the Law, whether there is an objection for holding the meeting in this way and whether the quorum was maintained until the end of the meeting.

d) To determine whether the articles of incorporation with amendments if amended, share book, annual operating report of the board of directors, auditor's reports, financial tables, agenda, the amendment draft which was prepared by the board of directors if there is an amendment of articles of incorporation in the agenda, and the permit letter obtained from the Ministry and the enclosed amendment draft in case the amendment of articles of incorporation is subject to the permit of the Ministry of Customs and Trade, the shareholders'

attendance list which was issued by the board of directors, the postponement minutes regarding the previous meeting if the general assembly was called for meeting upon postponement and other necessary documents regarding the meeting are at the place of meeting in complete and mention these in the minutes of the meeting.

e) To perform the identity control of the attendants of the general assembly personally or by proxy thereby signing the shareholders' attendants list upon objection or requirement and check the accuracy of the representation documents.

f) To determine if the managing members and minimum one member of the board of directors and the auditor are present at the meeting and state this in the minutes of the meeting.

g) To manage the general assembly works within the framework of the agenda, prevent the violation of the agenda except for the exceptions specified in the Law, maintain the meeting order, take necessary measures for that.

ğ) To open, close sessions and sittings, to close the meeting.

h) To read the decisions, drafts, minutes, reports, suggestions etc. documents with regard to matters negotiated to the general assembly and recognize those who wish to talk about these.

ı) To take the vote with regard to the decisions to be given by the general assembly and announce the results.

ii) To observe whether the minimum quorum is kept at the beginning of, during and the end of the meeting, whether the decisions are taken in compliance with the quorums stipulated in the Law and articles of incorporation.

j) To explain the notifications made by the representatives specified in article 428 of the Law to the general assembly.

k) To prevent non-voting ones to exercise votes as per article 436 of the Law in the decisions specified in the said article, observe all kinds of restrictions brought to the right to vote and privileged voting as per the Law and articles of incorporation.

l) To postpone the negotiation of the financial tables upon the request of the shareholders with one-tenth of the capital and discussion of the related matters to be discussed at the meeting which will be held one month later without the need for a decision of the general assembly in this regard.

m) To provide the issuance of the minutes regarding general assembly works, write the objections to the minutes, sign the decisions and minutes, state the votes exercised for and against the decisions taken at the meeting in a way not to give rise to hesitation.

n) To deliver the minutes of the meeting, annual operating report of the board of directors, auditor's reports at audited companies, financial tables, shareholders' attendance list, agendum, motions, ballot papers and minutes of elections if any, and all documents in relation to the meeting to one of the members of the board of directors who is present with a minutes at the end of the meeting.

Things to be done before the discussion of the agendum

Article 9 - (1) The chairman of the meeting shall read the agendum of the meeting – or have it read – to the general assembly. The chairman shall ask whether there is a suggestion of amendment with regard to the order of the discussion of the items of the agendum, and any suggestion shall be submitted to the approval of the general assembly. The order of the discussion of the items of the agendum can be changed with the decision of the majority of the votes which are present at the meeting.

Agendum and the discussion of the items of the agendum

Article 10 - (1) The agendum of the ordinary general meeting should include the following matters:

- a) Opening and the formation of the presidency of the meeting.
- b) Discussion of the annual operating report of the board of directors, auditor's reports and financial tables.
- c) Releasing the members of the board and the auditors if any.

ç) Electing the members of the board whose commissions have expired and the auditor in the audited companies.

d) Determination of the salaries and the rights of the members of the board of directors such as daily allowance, bonus and premium.

e) Determination of the way of usage, distribution and gain margin rates of profit.

f) Discussion of the amendments of the articles of incorporation if any.

g) Other matters which are deemed necessary.

(2) The agenda of the extraordinary general meeting, reasons for making a meeting.

(3) The matters which are not included in the agenda of the meeting shall not be discussed and resolved except for the following exceptions:

a) Any matter can be added to the agenda unanimously if all of the shareholders are present.

b) Private audit request of any shareholder shall be resolved by the general assembly regardless of its availability in the agenda as per article 438 of the Law.

c) Dismissal of the members of the board and election of the new ones shall be resolved by directly discussing in case of demand regardless of the availability of the item of negotiation of end-of-year financial tables and the related items in the agenda.

ç) Even if there are no such items in the agenda, the violation of the provisions of fraud, insufficiency, and commitment, dismissal of the members of the board of directors and election of the new ones in case of the presence of justified reasons such as difficulty in performing the duties, discord, fraud on a power due to membership at many companies shall be taken into the agenda with the majority of the shareholders who are present in the general assembly.

(4) The item of the agendum which is negotiated and resolved in the general assembly cannot be resolved by being discussed again unless an unanimous decision is taken by the shareholders who are present in the general assembly.

(5) The matters to be discussed in the general assembly of the company shall be put into the agendum by the Ministry as a result of the audit carried out or any other reason.

(6) The agendum shall be determined by the person who called the general assembly to the meeting.

Taking the floor at the meeting

Article 11 - (1) Shareholders who want to take the floor on the item of the agendum which is being discussed or those concerned shall notify this to the presidency of the meeting. The presidency shall explain the persons who will take the floor to the general assembly and recognize these persons according to the order of application. If the person whose turn to say has come is not present at the place of the meeting, that person will lose his/her right to speak. The speeches will be addressed to the general assembly from the place allocated for that. The persons may exchange the turns of speech among them. In case the time of speech is limited, a person whose turn to say has come may only continue his/her speech, if the first person to talk after him gives his right to speech, when his speech is completed, provided completing it within that person's time of speech. The time of speech cannot be extended in another way.

(2) The chairman of the meeting may recognize the members of the board and the auditor who do not wish to make any explanations about the matters discussed regardless of their turn.

(3) The time of the speeches shall be decided by the general assembly based on the busyness of the agendum, plurality, importance of the matters to be discussed, and the number of those who wish to take the floor upon the proposal of the chairman or the shareholders. In such cases, the general assembly shall first decide whether the time of speech should be limited or not and then how long the time will be through voting.

(4) The procedures and principles which are determined in the articles and sub regulations shall apply with regard to opinion and suggestion communicating by the shareholders who attend the general assembly in the electronic environment or their representatives as per article 1527 of the law.

Voting and vote exercising principle

Article 12 - (1) Before starting voting, the chairman of the meeting shall explain the matter to be voted to the general assembly. If a decision draft is to be voted, voting shall be started after determining and reading this in written. After it is explained that voting will be started, one can only request say about the procedure. Meanwhile, if there is a shareholder who is not recognized despite having demanded, s/he can exercise his/her right to speak provided reminding and being confirmed by the Chairman. S/he shall not be recognized after voting starts.

(2) The votes regarding the matters discussed at the meeting shall be used thereby raising a hand or standing up or saying accepted or declined one by one. These votes shall be counted by the presidency of the meeting. The presidency can commission sufficient number of persons to assist in counting the votes when necessary. Those who do not raise hands, stand up or make any statements shall be considered to have exercised “declined” vote and these votes shall be considered to have been exercised against the related decision in assessment.

(3) The procedures and principles which are determined in the articles and sub regulations shall apply with regard to vote exercising by the shareholders who attend the general assembly in the electronic environment or their representatives as per article 1527 of the law.

Issuing the minutes of the meeting

Article 13 -(1) The shares, groups of the shareholders or their representatives and the shareholders’ attendance list which shows their nominal values shall be signed by the chairman of the meeting, and the minutes shall be issued in compliance with the principles specified in the Law and the applicable legislation upon showing the number of the questions asked and answers given in the general summary, in brief the decisions and positive and negative votes exercised for each decision.

(2) The minutes of the general meeting shall be issued at the place of the meeting and during the meeting with a typewriter, computer or legibly handwritten thereby using a pen. To write the minutes in a computer, there should be a printer to have print-outs at the place of the meeting.

(3) The minutes shall be issued in minimum two copies and each page of the minutes should be signed by the Ministry representative if any attended with the presidency of the meeting.

(4) It is obligatory to state in the minutes the trade name of the company, date and place of meeting, total nominal value of the company shares and number of shares, total number of shares represented personally and by proxy at the meeting, the name and surname and the commissioning letter of the Ministry representative if any attended and the date and number of the commissioning letter, how the invitation was made if the meeting is made with announcement, and if the meeting is made without announcement.

(5) The amounts of votes regarding the decisions taken at the meeting shall be stated in the minutes in figures and in words in a way not to give rise to any hesitation.

(6) The names, surnames and reasons for opposition of those who have exercised negative votes for the decisions at the meeting and wish to write such opposition in the minutes shall be written in the minutes.

(7) If the reason for opposition is given in written, this letter will be added to the minutes. The name, surname of the partner or his/her representative who has stated his/her opposition shall be written in the minutes and the attachment of the opposition letter shall be stated. The opposition letter which is attached to the minutes shall be signed by the presidency of the meeting and the Ministry representative.

Things to be done at the end of the meeting

Article 14 - (1) The chairman of the meeting shall deliver one copy of the minutes and all other papers related to the general assembly to one of the present members of the board of directors at the meeting. This shall be determined through separate minutes which will be issued between the parties.

(2) The Board of Directors shall be liable to deliver one copy of the minutes which is approved by the notary office to the trade registry office within maximum fifteen days as of the date of meeting and register and announce the matters subject to registration and announcement in these minutes.

(3) The minutes shall also be published on the web page within maximum fifteen days as of the date of general assembly by the companies which are liable to open web pages.

(4) The chairman of the meeting shall also deliver one copy of the shareholders' attendance list, one copy of the agendum and the minutes of the general meeting to the Ministry representative if any attended.

Attending the meeting in the electronic environment

Article 15 - (1) In case it is possible to attend the general meeting in the electronic environment as per article 1527 of the Law, the things to be done by the board of directors and the presidency of the meeting shall be performed by considering article 1527 of the Law and the applicable legislation.

PART THREE

Miscellaneous Provisions

Attendance of the Ministry representative and the documents related to the general meeting

Article 16 - (1) The Procedures and Principles of the General Meetings of Incorporated Companies and the provisions of the Regulation on the Representatives of the Ministry of Customs and Trade who will be Present at These Meetings shall be reserved with regard to requesting a representative for the meetings to which the Ministry representative should attend and the duties and powers of this representative.

(2) It is obligatory to comply with the provisions of the Regulation specified in the first paragraph in preparing the list of potential attendants and shareholders' attendance list, issuing the representation documents and the minutes of the meeting which will be used at the general meeting.

Things which are not stipulated in the Internal Directive

Article 17 - (1) In case of encountering something which is not stipulated in this Internal Directive, action will be taken in line with the decision to be taken by the general assembly.

Acceptance of the Internal Directive and amendments

Article 18 - (1) This Internal Directive shall be put into effect, registered and announced by the board of directors upon the approval of the general assembly of Kuveyt Türk Participation Bank Incorporated Company. The amendments which will be made in the Internal Directive shall also be subject to the same procedure.

Enforcement of the Internal Directive

Article 19 - (1) This Internal Directive was accepted at the general meeting of Kuveyt Türk Participation Bank Incorporated Company dated 28 March 2013, and it shall take effect on the date of its announcement in Turkish Trade Registry Gazette.